



Department of Defense Purchase Card Program Management Office

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COMPTROLLER

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DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Purchase Card Reengineering Implementation
Memorandum #5:
Accommodation Checks, Change #1

Guidance on purchase card convenience checks was issued on August 5, 1997, as Purchase Card Reengineering Implementation Memorandum #5: Accommodation Checks. That guidance, within the context of ongoing efforts to reengineer the purchase card process, stipulated rules to implement the accommodation check products (which also include FedSelect checks available from the Department of the Treasury).

Attached are the updated policies relative to the use of locally issued accommodation checks by Department of Defense (DoD) organizations. The recent change in card issuing banks that offer purchase card convenience checks necessitates a reissuance of this guidance, including incorporation of various changes designed to make locally-issued checks more user friendly.

These policies are applicable to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff and the

Joint Staff, the Combatant Commands, the Inspector General of the Department of Defense (DoD), the Defense Agencies and the DoD Field Activities (referred to collectively as the "DoD Components").

These policies are effective as specified herein. The Heads of the DoD Components shall ensure adherence to this guidance for day-to-day operations and for the design, modification and maintenance of the DoD Components' procurement and financial management systems.

This guidance, as well as the other purchase card reengineering implementation memoranda, will be incorporated into Volume 5, Chapter 2 of the "DoD Financial Management Regulation."

My staff contact for this matter is Mr. John Bunnell. He may be reached by e-mail: bunnellj@osd.pentagon.mil or by phone at (703) 602-0449.

// Signed //

Alice C. Maroni
Principal Deputy Under
Secretary of Defense (Comptroller)

Attachment

DEPARTMENT OF DEFENSE
POLICIES AND PROCEDURES FOR
ACCOMMODATION CHECKS

A. PURPOSE

To establish Department of Defense (DoD) policies for the use of accommodation checks.

B. APPLICABILITY AND SCOPE

These policies are applicable to the Office of the Secretary of Defense; the Military Departments; the Chairman of the Joint Chiefs of Staff and the Joint Staff; the Combatant Commands; the Inspector General of the DoD; the Defense Agencies and the DoD Field Activities (hereafter referred to collectively as the "DoD Components").

C. RESPONSIBILITIES

1. The Under Secretary of Defense (Comptroller) shall develop, administer, maintain, monitor compliance with, and grant exceptions (as appropriate) to all financial management policies for the use of accommodation checks.

2. The Heads of DoD Components shall implement, ensure compliance with, and recommend changes to, these financial management policies for the use of accommodation checks.

D. BACKGROUND

1. The phased elimination of imprest funds for unclassified programs within the Department was announced on March 28, 1996. Effective October 1, 1996 (later extended to January 1, 1997), the use of imprest funds was eliminated at DoD activities within the continental United States (CONUS) and, effective October 1, 1997, imprest funds also will ceased to be authorized outside the CONUS.

2. Subsequent to the March 28, 1996, announcement, a number of DoD activities indicated that the total elimination of imprest funds hinges hinged on the availability of a local check instrument to replace small cash payments. Thus, on September 10, 1996, for those CONUS activities that within the CONUS that required a local check product have been authorized limited, the effective date of imprest fund elimination waivers, on a case basis, was extended.



3. Several pilots that used of the Department of the Treasury "FedSelect" check product were approved by the Office of the Deputy Chief Financial Officer (ODCFO) late in

1996 and early 1997 for testing within the Department by the Office of the Deputy Chief Financial Officer (ODCFO).



4. The General Services Administration (GSA) concluded a contract modification with the Rocky Mountain BankCard System (RMB(S)/First Bank System (FBS) on February 21, 1997, thus making convenience checks available through the International Merchant Purchase Authorization Card (I.M.P.A.C.) program. At the conclusion of that contract, the GSA awarded new contracts in February 1998, and the Department DoD awarded task orders on November 30, 1998, both to US Bank (the successor to First Bank System) and Citibank, the latter for support to the Department of the Navy with effective dates of November 30, 1998.

E. POLICIES

1. Electronic Funds Transfer: The preferred method for DoD payments is electronic funds transfer (EFT), and it shall be used to the maximum extent possible. The Debt Collection Improvement Act of 1996 mandates that all DoD payments be made via EFT, effective January 1, 1999.

2. Imprest Funds

a. The policy to eliminate imprest funds is based, in part, on the mandatory EFT requirements enacted as part of the "Debt Collection Improvement Act of 1996." As a matter of policy, the Department does not support the continued use of cash payments from imprest funds.



(1) In lieu of imprest funds, maximum use shall be made of the governmentwide government-wide I.M.P.A.C. purchase card for micro-purchases of supplies and/or services and the government-wide travel card (i.e., an agency central billed account) for travel payments purposes.

(2) The elimination of imprest funds in no way affects the authority of DoD disbursing officers and their designated agents to maintain cash holdings at personal risk.



(3) Exceptions to the above policy are authorized for contingency and classified operations. Specific requests for deviations from, or exceptions to, this policy stated in subparagraph E 2.a., above, shall be submitted to the ODCFO for consideration. Such requests must contain adequate justification and demonstrate that the use of the governmentwide government-wide purchase card and/or travel card, or other reasonable alternatives, is not feasible for the specific situation.



b. Generally, imprest fund cash is not to be replaced by the check products identified herein. The intent, in lieu of imprest funds, is to use the governmentwide government-wide (1) I.M.P.A.C. purchase card for purchases of supplies and

services; or (2) the government-wide travel card. ~~(currently American Express)~~ , to include agency centrally- billed accounts, instead of imprest funds.



c. All DoD activities shall, to the maximum extent feasible, adopt approved card technology alternatives to replace ~~redirect their effort to finding imprest fund alternatives--~~ such as the ~~governmentwide~~government-wide purchase card cards and travel cards (i.e., agency central billed account). Only after card product alternatives have been exhausted should a check product be considered in place of imprest funds.

d. Exceptions to elimination of imprest funds shall be considered only on a case-by-case basis. Each DoD Component shall screen all requests for exception and, separately ~~justify for those cases that warrant further consideration (~~ those cases that warrant further consideration, separately justify the need (with alternatives examined) to the ODCFO, through the respective Military Department Office of the Assistant Secretary (Financial Management and Comptroller), or the Defense Agency Comptroller, or equivalent office. Such requests must contain adequate justification and demonstrate that the use of the ~~governmentwide~~government-wide purchase card, travel card, or other reasonable alternatives are not feasible for the specific case.

3. Accommodation Checks

a. Although the preferred method of payment is via EFT, accommodation checks provide an alternative to cash, third party drafts and U.S. Treasury checks when the use of purchase or travel cards is not feasible. Accommodation checks eliminate the need for cash on hand for imprest fund transactions.

b. Accommodation checks give issuing DoD activities the flexibility to issue low volume and low dollar value payments on-site.

c. Accommodation checks shall be available at those DoD activities that identify a need to issue accommodation checks, in lieu of cash, where purchase and travel cards have proven ineffective.

d. The minimum requirements to establish a local check-writing capability are as follows. (Note: Specific conditions for establishing accommodation checks are detailed below, in Section F, "Procedures.")

(1) The use of accommodation checks must be considered advantageous to the DoD activity, after evaluating all alternatives to accomplish the same purpose.

★ (2) Before an accommodation check is ~~used~~, the paying agency must make every effort to use a the government-wide purchase card or travel card, as applicable, to make necessary purchases. Maximum efforts shall be made to find and use vendors that accept the purchase card (I.M.P.A.C.) as the primary payment vehicle, e.g., the use of electronic or telephone catalog ordering services coupled with overnight delivery.

(3) The authority to maintain a check-writing system (checkbook) shall be justified on an individual organization basis, and controlled and monitored by the DoD activity. Automated reports from the check providers are available to provide oversight.

★ (4) The number of checkbooks shall be limited to as few as possible/feasible, ~~preferably one per DoD installation~~ and not to exceed one per major DoD tenant activity or autonomous location.

★ (5) All organizations authorized to maintain accommodation checks also ~~should~~ must hold an active (in good standing) purchase card before approval of an accommodation check account—~~although convenience checks must be maintained under a separate ("cardless") purchase card (I.M.P.A.C.) account and number.~~ An accommodation check cashier may hold an I.M.P.A.C. purchase card as long as ~~separate accounts are maintained and~~ the policies and procedures established herein are observed.

(6) Appropriate internal controls, to include at least one level of approval above the check writer (i.e., an approving official), shall be maintained by each using DoD activity.

★ (7) Each accommodation check account shall be audited quarterly yearly on an unannounced basis, by an officer or equivalent DoD civilian employee who is independent of the office maintaining the account.

e. DoD Component activities may adopt one of the following accommodation check products, upon appropriate justification and approval (see Section FE, Procedures):

★ (1) Purchase card convenience checks (issued under the ~~I.M.P.A.C.~~ purchase card program by US Bank or Citibank ~~RMBCS/FBS~~).

★ (2) FedSelect checks (currently available ~~from~~ ~~from~~ the Chicago Financial Center, Financial Management Service (FMS), Department of the Treasury), subject to the provisions of subparagraph E.3.h.(2)(a), below.

★ f. Accommodation check providers ~~Both of the e-Check providers~~ issuing organizations ~~identified in paragraph E.3.e. above,~~ offer "stop payment" and retrieval capabilities to using DoD activities "stop payment" and retrieval capabilities, as well as an audit trail that permits the tracing of transactions. Also, these check providers ~~issuing organizations~~ offer "hHelp dDesk" assistance and reporting capabilities with a variety of reporting media and frequencies.

g. Each check product has distinct advantages and disadvantages associated with its use, to include cost considerations. While the purchase card convenience check provides an expedient solution, additional fiscal controls and automation of the FedSelect check offer distinct advantages, as well. Each DoD activity is encouraged to evaluate both products and make a selection based on costs and other factors associated with its use.

★ h. ~~The Deputy Director for Finance, Headquarters, Defense Finance and Accounting Service (DFAS-HQ/F) via its Office of Disbursing Management (located at the DFAS Kansas City Center) shall approve the establishment of accommodation check accounts, subsequent to request and justification by the sponsoring DoD activity. Upon request, a by the DoD activity, activity and approval by the DFAS, the DoD activity they may adopt one of the following accommodation check products:~~

★ (1) Purchase Card Convenience Check

★ (a) Purchase card convenience checks shall not be issued for more than \$2,500. (a) Purchase card convenience checks currently are provided through the GSA contract for the governmentwide purchase card (currently I.M.P.A.C.) by the issuing banks: —US Bank and Citibank ~~RMBCS/FBS. The implementing contract modification is reproduced at Appendix A. The implementing~~ contract requires that ~~RMBCS/FBS~~ the card

providers operate a convenience check writing system that allows DoD activities, including overseas locations, ~~(denominated in U.S. currency)~~, to make selected minor purchases and payments using checks in lieu of cash.

★ (b) Purchase card convenience checks currently are provided through the GSA contract for the government-wide purchase card by the issuing banks (U S Bank or Citibank). The contract requires that the card providers operate a convenience check writing system that allows DoD activities, including overseas locations, to make selected minor purchases and payments using checks in lieu of cash.

★ (bc) This product offers an alternative to cash for official expenses of DoD activities previously using imprest funds--after card products and other alternatives have been determined unusable. The Purchase card convenience checks shall not be issued for more than \$1,000,002,500.00.

★ (c) ~~DoD purchase card convenience checks are supported from the FBS commercial purchasing system platform, which is being offered to the federal government as the "Corporate Payment System (CPS)".~~

~~(d) DoD purchase card convenience checks shall be established as "cardless accounts" under the purchase card program.~~

(ed) The purchase card issuing bank will: (1) provide a supply of checks to the designated convenience check account holder, (2) process and pay the checks as they are presented through the bank check clearing system for payment within established maximums and authorization parameters established by the sponsoring activity agency program coordinator (APC) for each individual account holder, (3) provide a listing of the checks cleared on each account holder's billing statement (invoice), and (4) provide for storage of cleared checks for audit and retrieval purposes.

★ (fc) The checks contain the following standard preprinted information:
(1) "United States Government seal, (2) the statements "I.M.P.A.C.," "For Official Use Only" and "U.S. Government Tax Exempt," and (3) the maximum dollar limitation per check (i.e., \$1,000,2,500), as well as space for the date and the amount of the check. Also in addition, other standard preprinted information is carried on the check specific to the sponsoring parent DoD activity's name and address and the account holder's name. Thus, only the named individual may issue these checks.

★ (gf) The checks are sequentially prenumbered, multiple-copy documents (with a minimum of at least one copy for the account holder's records).

★ (hg) The convenience check account holder shall reconcile cleared checks and the resulting billing statement (invoice) against his or her retained records of issuance in accordance with standard payment practices established for the purchase card by "Purchase Card Reengineering Implementation Memorandum #3: Streamlined Financial Management Procedures."

(2) FedSelect Check



(a) The FedSelect check is a Department of the Treasury, Financial Management Service (FMS) product that currently is, available from the FMS Chicago Financial Center, Department of the Treasury. FedSelect procedures are at Appendix B

(b) ~~The use of FedSelect checks has proven--through pilot applications--to be an efficient and cost effective alternative to other forms of payment. It has resulted in cost~~

~~savings relative to payment costs, both to the DoD activity involved as well as to the DFAS.~~
NOTE: The Treasury Department plans to terminate this product on or before March 1, 2000
FedSelect checks shall not be used by DoD organizations after December 31, 1999.

(be) The FedSelect check is issued using a microcomputer-based system that allows the using DoD activity to issue payments on-site and report issuance via interface to the FMS.

(ed) The FedSelect check offers a low cost method to reimburse DoD personnel and vendors for small out-of-pocket official expenses, when purchase or travel cards are not feasible for replacement of cash. The FedSelect check may be used for transactions formerly paid from imprest funds and for other "on demand" payment needs. The FedSelect checks shall not be issued for more than \$1,000.00; however, an increase of this limitation may be approved by the OUSD(C) based on justification submitted under the Waiver Process of this policy.

(de) The FedSelect check ~~provides~~ has a built-in reconciliation system in that, when the check is issued, the information is transmitted automatically from the DoD activity to the FMS Chicago Financial Center. Paid information received from the Federal Reserve Bank (FRB) of Chicago is compared to the check-issue information received from the DoD activity.

(ef) FedSelect checks are recorded in the FedSelect Customer Information System at the FMS Chicago Financial Center as the cashier is updating his or her check register and printing the check. The value of the issued check is ~~charged (debited)~~ to the issuing DoD activity's Agency Location Code (ALC) through the Government On-Line Accounting Link System (GOALS) the following business day for the aggregate face value of the FedSelect checks written. As this charge is cleared through GOALS, a corresponding entry also must be made to record the disbursement in the agency accounting system in order to properly reflect clearance through the "Statement of Transactions" monthly reporting process.

(fg) DoD activities are required to execute an agreement with the FMS Chicago Financial Center under provisions of the Economy Act in order to receive authority to issue FedSelect checks.

(gh) FedSelect checks are customized with the DoD Component logo or seal, and DoD Component/activity address and telephone number. (Individual payee's name is not carried on the check instrument, thus permitting multiple authorized signatures.)

(hi) The issuing activity can monitor outstanding and cleared checks through printed and on-line reports.

F. PROCEDURES

1. Authorization for Accommodation Check Account

★ a. Requests to establish accommodation checks first shall be justified (in writing) by the resource manager or commander/director of an installation or tenant activity. Delegations of authority to maintain and use accommodation checks shall be rendered issued (in writing) specifically to the activity approving/certifying official, check custodian, and cashier by the activity commander/director as directed below. (Prior coordination with the DFAS Office of Disbursing Management (located at the DFAS-Kansas City Center), telephone (816) 926-3198, and the servicing DFAS operating location, is encouraged, especially for FedSelect checks.)

★ b. Upon approval by the activity resource manager and/or commander (director), ~~the requests for FedSelect checks only~~ shall be submitted for final approval to the Deputy Director for Finance, Headquarters, Defense Finance and Accounting Service (DFAS-HQ/F), via the Office of Disbursing and Cash Management Office, DFAS-Kansas City Center, 1500 East 95th Street, Kansas City, MO 64197-001000130, ~~for final approval~~. Within 20 days, the DFAS shall notify the requester of its approval (or disapproval) to establish an accommodation FedSelect check account.

★ c. ~~Requests for FedSelect checks that are disapproved by the DFAS may be that are deemed worthy of further consideration shall be referred to the ODCFO if through the DoD Component headquarters senior financial management official for resolution, deems it worthy of further consideration~~

2. Conditions for Establishing Accommodation Check Account

a. Designation of Activity Approving/Certifying Official

(1) The activity approving/certifying official may be any individual (i.e., officer, enlisted person, or civilian employee) who is appointed by the head of the issuing DoD activity to authorize and certify the issuance of accommodation checks by cashiers.

(2) In order to maintain effective internal controls, the activity approving/certifying official may not perform functions of accommodation check custodian or cashier.

(3) The activity approving/certifying official shall be held accountable and pecuniarily liable for the accuracy of the payments. (See "Purchase Card Reengineering Implementation Memorandum #3: Streamlined Financial Management Procedures" for details of the "Payment Certification" and "Delayed Dispute Procedures" processes.)

★ (4) In the case of purchase card convenience checks, the "I.M.P.A.C. approving official (AO)" is the same as the activity approving/certifying official.

(a) The activity approving/certifying official shall be designated as the billing (invoicing) official and shall receive and certify payment of the billing statement (invoice) to the appropriate paying activity (e.g., a DFAS operating location).

★ (b) (Also, I.M.P.A.C. convenience check accounts shall may be established with approving/certifying official accounts separate from approving official accounts for purchase cards.

(5) In the case of FedSelect checks, the "FedSelect authorizing issuing officer" is the same as the activity approving/certifying official.

b. Designation of Accommodation Check Custodian

(1) The custodian may be any individual (i.e., officer, enlisted person, or civilian employee) who is appointed by the head of the issuing DoD activity, or the activity's accommodation check approving/certifying official to order, receive, store, issue, inventory, reconcile and dispose of check stock. (Each DoD Component and/or activity has the discretion of identifying the minimum grade level for its check custodians.)

(2) Each accommodation check account shall be under the custody of one individual who is not responsible for originating, approving, and processing the requirement

for a check. An alternate custodian may be appointed with the same authorities as the principal custodian; however, the alternate shall act only in the absence of the principal.

(3) Both principal and alternate custodians, as applicable, may be held pecuniary-pecuniarily liable for account transactions under their control.

(4) The accommodation check custodian may perform the functions of the accommodation check cashier.

c. Designation of Accommodation Check Cashier

(1) The cashier may be any individual (i.e., officer, enlisted person, or civilian employee) who is appointed by the head of the issuing DoD activity, or the activity's accommodation check approving/certifying official to inscribe (print), sign and issue checks. (Each DoD Component may establish a minimum grade level for its accommodation check cashiers.)

(2) The accommodation check cashier may perform the functions of the accommodation check custodian.

(3) In the case of purchase card convenience checks, only one named person shall be designated as the accommodation check cashier, and have authority to sign and issue convenience checks. An alternate cashier may be appointed with the same authorities as the principal cashier; however, the alternate shall act only in the absence of the principal.

★ (4) An accommodation check cashier also may be hold an I.M.P.A.C. purchase card holder as long as ~~separate accounts are maintained and~~ the policies and procedures established herein are observed.

(5) In the case of FedSelect checks, the accommodation check cashier is authorized to operate the remote microcomputer equipment to print FedSelect checks. Also, primary and alternate cashiers may be established for FedSelect checks.

(6) Both primary and alternate cashiers, as applicable, may be held pecuniary liable for account transactions under their control.

d. Other Operating Conditions

★ (1) Accommodation check accounts shall be "bulk funded" in accordance with "Advance Reservation of Funds" policies delineated by the Under Secretary of Defense (Comptroller) memorandum of March 27, 1997/June 30, 1998, subject: "Purchase Card Reengineering Implementation Memorandum #3: Streamlined Financial Management Procedures--Change 1."

★ (2) Check amounts shall not exceed ~~\$1,000~~\$2,500 per check and ~~always~~ shall be issued for the exact payment amount, with a prohibition on splitting purchases, payments or other amounts across more than one check to keep amounts below \$2,500 or other assigned ~~\$1,000~~ limits (if less than \$2,500).

(3) Accommodation checks shall not be issued as an "exchange-for-cash" vehicle to establish cash funds.

(4) Accommodation checks may be mailed, as long as internal controls are in place to avoid duplicate payments to payees.

★ (5) As appropriate, accommodation checks may be used for payments in overseas transactions up to ~~\$2,500~~\$10,000 in support of contingencies declared by the Secretary of Defense.

(6) The issuing activity is responsible for all administrative costs associated with the use of accommodation checks. At DoD Component election, the costs associated with the purchase of accommodation checks may be (a) included in the bulk obligation and accounted for as part of the purchase price or (b) treated separately as an administrative cost of the issuing activity.

3. Methods for Establishing Accommodation Check Accounts

★ ~~Upon DFAS approval, a~~ Normal account set-up procedures shall be followed to establish the accommodation check account product with either the purchase card issuer or the FMS Chicago Financial Center.

★ (1.a.) Purchase Card Convenience Check: Appropriate application forms (see Appendix A) ~~(see Appendix A)~~ shall be completed and submitted through the DoD activity's existing purchase card hierarchical structure (channel), including approving official (AO) and APC. The application also shall include a copy of the approval document issued by the ~~DFAS and DoD activity~~ installation activity resource manager or commander (director) approval documents. A separate check account holder and approving official must be identified for each purchase card check account. ~~[Each check account shall be established separately from a purchase card account and the approving official of that account shall receive a separate invoice for convenience check accounts under his/her jurisdiction.]~~

The application can be obtained from ~~the~~your APC (2)

★ b. FedSelect Check: FedSelect applications shall not be submitted directly to the check issuing organization (FMS Chicago Financial Center) without first attaining the authorization ~~approval~~ of the DFAS. ~~DoD activities interested in establishing a FedSelect account should contact the FMS Chicago Financial Center at (312) 353-2064, to initiate implementation. DoD activities shall be granted authority by the FMS Chicago Financial Center to issue FedSelect checks by executing a FedSelect Agreement and associated application forms (see Appendix B) available from the FMS Chicago Financial Center. The request also shall include a copy of the DFAS and DoD activity/installation resource manager or commander~~

(director) approval documents. All applications submitted to the issuing organization without attachment of the appropriate DFAS approval shall be returned without action by the issuing organization. ~~Please note:~~ NOTE: The Treasury Department plans to terminate this product on or before March 1, 2000. FedSelect checks shall not be used by DoD organizations after December 31, 1999.

b. ~~FedSelect~~ Applications shall not be submitted directly to the check issuing organization (~~RMBCS/FBS or the FMS~~ Chicago Financial Center) without first attaining the authorization.

approval of the DFAS. All applications submitted to the issuing organization without attachment of the appropriate DFAS approval shall be returned without action by the issuing organization.

★ 4. Conditions for Using Accommodation Check Accounts

★ a. For accounts established with the purchase card issuing bank, agencies must maintain a current convenience check account status (i.e., with no delinquencies, except for questioned items or items in dispute). Also, any entity under suspension of purchase card privileges automatically shall be suspended from use of the purchase card convenience check system.

★ ~~b. Accommodation checks may be used for small purchases, when:~~
~~(1) Supplies or services are available for delivery within 15 days whether at the contractor's place of business or at destination.~~
~~(2) The purchase does not require detailed technical specifications or inspection.~~

eb. Accommodation checks may be used for purposes not related to small purchases when such expenditures are authorized by other DoD or Component regulations, such as:

~~(1) Delivery charges associated with the purchase made with an accommodation check when the contractor is requested to arrange for delivery. These charges include local delivery, parcel post, including cash on delivery (C.O.D.) postal charges, and line haul or inter-city transportation charges, provided the charges are determined to be reasonable and acceptance is in the best interest of the government.~~

~~(2) C.O.D. charges for supplies ordered for payment with an accommodation check upon delivery.~~

~~(3) Civilian volunteers for participation in approved medical research projects.~~

~~(4) Travel advances when no disbursing official (DO) is available in the immediate area to effect payment, and the traveler does not have access to travel advances via automated teller machines through the governmentwide travel card.~~

- ~~_____ (5) Local travel expenses (e.g., mileage allowance for travel in and around their permanent duty station not under travel orders) when no DO is available in the immediate area to effect payment.~~
- ~~_____ (6) Transportation charges (not related to purchases).~~
- ~~_____ (7) Payments to prisoners.~~
- ~~_____ (8) Transportation passes or tokens.~~
- ~~d. Accommodation checks are prohibited from use for:~~
 - ~~_____ (1) Payment of salaries and wages;~~
 - ~~_____ (2) Travel advances or any other advances except as authorized above;~~
 - ~~_____ (3) Payment of travel claims (except for claims for local travel not under orders, when a DO is not available in the immediate areas to effect payment as authorized above);~~
 - ~~_____ (4) Payment of public utility bills;~~
 - ~~_____ (5) Purchase from contractors or contractor's agents who are military personnel or civilian employees of the government;~~
 - ~~_____ (6) Repetitive purchases from the same contractor when another method of purchase, such as a purchase card or blanket purchase agreement, would be more appropriate; or~~
 - ~~_____ (7) Payment of spot awards.~~

G. WAIVER PROCESS

1. The ODCFO may grant waivers to these policies (including higher dollar authority) for contingency operations and for exceptional circumstances.
2. Waiver requests for deviations from, or exceptions to, these policies shall be submitted for evaluation to the Military Department Office of the Assistant Secretary (Financial Management and Comptroller), the Defense Agency Comptroller, or equivalent. Waiver requests should be evaluated and approved or disapproved by the DoD Component Headquarters before submission to the ODCFO for consideration.
3. Waiver requests approved by the DoD Component Headquarters shall be submitted for consideration to the ODCFO. Such requests must contain adequate justification and demonstrate the need for a waiver or exception to the specific policy.

H. EFFECTIVE DATE AND IMPLEMENTATION

1. These policies are effective immediately. Both the purchase card convenience check and Treasury's FedSelect Check products may be established at this time.
2. The Heads of DoD Components shall ensure that these policies are adhered to in day-to-day operations and in the design, modification, and maintenance of the DoD Component's procurement and financial management systems.